

MULTIMEDIA



UNIVERSITY

STUDENT ID NO

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MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 2, 2018/2019

PBF0014 – INTRODUCTION TO PERSONAL FINANCE
(Foundation in Business)

7th MARCH 2019
2.30 p.m- 4.30 p.m.
(2 Hours)

INSTRUCTIONS TO STUDENT

1. This question paper consists of **ONE** page with **FIVE** questions only.
2. Answer **ALL** questions.
3. Write your answers in the Answer Booklet.

ESSAYS [100 MARKS]

Instructions: Answer **ALL** questions. Write your answers in the Answer Booklet.

QUESTION 1

- a) Briefly explain the **FIVE (5)** basic steps of personal financial planning. (10 marks)
- b) List and briefly explain **FIVE (5)** sources of open credit. (10 marks)

(Total 20 marks)

QUESTION 2

- a) Explain the **FOUR (4)** steps in a smart buying process for home purchase. (12 marks)
- b) Describe any **FOUR (4)** non-financial aspects of buying a house. (8 marks)

(Total 20 marks)

QUESTION 3

- a) Give **TWO (2)** advantages and **TWO (2)** disadvantages of an annuity or lifetime payments against a lump-sum payout. (8 marks)
- b) Mr. Gan plans to do estate planning. Advise him on the **FOUR (4)** steps of estate planning process. (12 marks)

(Total 20 marks)

QUESTION 4

- a) There are **THREE (3)** important aspects when buying a bond. Briefly explain each of them. (10 marks)
- b) Describe asset allocation related to the retirement years (over age 65). (10 marks)

(Total 20 marks)

QUESTION 5

- a) List the **TEN (10)** financial life events that we face. (10 marks)
- b) Provide any **FIVE (5)** implications of bankruptcy to a person. (10 marks)

(Total 20 marks)

End of Paper